

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THOMPSON:

S. 1877. An original bill to amend the Federal Report Elimination and Sunset Act of 1995; from the Committee on Governmental Affairs; placed on the calendar.

By Mrs. HUTCHISON (for herself, Mr. NICKLES, Mr. BROWNBAC, Mr. VOINOVICH, Mr. ASHCROFT, Mr. CRAIG, Mr. ENZI, Mr. THOMAS, and Mr. HELMS):

S. 1878. A bill to amend the Fair Labor Standards Act of 1938 to provide that an employee's "regular rate" for purposes of calculating compensation will not be affected by certain additional payments; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MACK:

S. 1879. A bill to promote international monetary stability and to share seigniorage with officially dollarized countries; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY (for himself, Mr. AKAKA, Mr. INOUE, Mrs. LINCOLN, and Mr. WELLSTONE): S. 1880. A bill to amend the Public Health Service Act to improve the health of minority individuals; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DODD:

S. 1881. A bill to amend chapter 84 of title 5, United States Code, to make certain temporary Federal service creditable for retirement purposes; to the Committee on Governmental Affairs.

By Mrs. HUTCHISON (for herself and Mr. STEVENS):

S. 1882. A bill to expand child support enforcement through means other than programs financed at Federal expense; to the Committee on Finance.

By Mr. BINGAMAN:

S. 1883. A bill to amend title 5, United States Code, to eliminate an inequity on the applicability of early retirement eligibility requirements to military reserve technicians; to the Committee on Governmental Affairs.

By Mr. KERRY:

S. 1884. A bill to designate the building of the United States Postal Service located at 5 Cedar Street in Hopkinton, Massachusetts, as the "Thomas J. Brown Post Office Building"; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HELMS (for himself, Mr. BIDEN, Mr. WELLSTONE, and Mr. LUGAR):

S. Res. 223. A resolution condemning the violence in Chechnya; to the Committee on Foreign Relations.

By Mr. CLELAND:

S. Res. 224. A resolution expressing the sense of the Senate to designate November

11, 1999, as a special day for recognizing the members of the Armed Forces and the civilian employees of the United States who participated in the recent conflict in Kosovo and the Balkans; to the Committee on the Judiciary.

By Mr. DURBIN (for himself, Mr. FRIST, Mr. DEWINE, Mr. LEVIN, Mr. KENNEDY, Mr. FEINGOLD, Mr. DORGAN, Mrs. BOXER, Mr. MACK, Mr. DODD, and Mr. THURMOND):

S. Res. 225. A resolution to designate November 23, 2000, Thanksgiving Day, as a day to "Give Thanks, Give Life" and to discuss organ and tissue donation with other family members; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself and Mr. MACK):

S. Con. Res. 71. A concurrent resolution expressing the sense of Congress that Miami, Florida, and not a competing foreign city, should serve as the permanent location for the Secretariat of the Free Trade Area of the Americas (FTAA) beginning in 2005; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. HUTCHISON (for herself, Mr. NICKLES, Mr. BROWNBAC, Mr. VOINOVICH, Mr. ASHCROFT, Mr. CRAIG, Mr. ENZI, Mr. THOMAS, and Mr. HELMS):

S. 1878. A bill to amend the Fair Labor Standards Act of 1938 to provide that an employee's "regular rate" for purposes of calculating compensation will not be affected by certain additional payments; to the Committee on Health, Education, Labor, and Pensions.

BONUS INCENTIVE ACT OF 1999

Mrs. HUTCHISON. Mr. President, I rise today to introduce the Bonus Incentive Act of 1999. I am joined in introducing this bill by my colleagues, Senators NICKLES, BROWNBAC, VOINOVICH, ASHCROFT, CRAIG, ENZI, and THOMAS. This important legislation will give America's hourly wage workers the same ability to receive performance-based bonuses that salaried employees currently have.

Mr. President, under the Fair Labor Standards Act, employers who give performance-based bonuses (usually at the end of the year) must go back and recalculate each employee's hourly base rate of pay and thus any overtime pay they received must be adjusted accordingly. Often, the employer must spend many hours of accountants' time for relatively minor adjustments in overtime pay.

This unnecessary and overly burdensome requirement discourages many employers (those who even know about this obscure provision) from providing a performance-based bonus system to their hourly wage employees, while salaried or "exempt" employees can enjoy such bonuses. Other employers attempt to comply with the law by reclassifying bonuses as not being performance-based. The net result of this law has been to hamper the productivity of the American worker and to trap unwary employers with unnecessary paperwork and even fines.

My legislation, the companion of which has been passed by the House Education and Workforce Committee, would allow performance-based bonuses to be paid to employees without the need to recalculate overtime pay, provided that employees are made fully aware of the requirements of receiving such bonuses and provided that such bonuses are not used as a substitute for hourly pay.

Mr. President, when the Fair Labor Standards Act (FLSA) was enacted in 1938, over 60 years ago, employers typically rewarded only their management personnel for the level of their achievement with performance-based bonuses. Such bonus programs for employees were very rare. But times have changed, and so has the American workplace. With the rise of the service-sector, post-industrial economy, increased competition from overseas, and the growing importance of workplace productivity and efficiency, "gainsharing" and other performance-based bonus programs for workers are commonplace.

Such programs are as varied as they are common. The model that comes first to mind is a bonus based on the number of items a factory worker produces in a month, quarter, or year. But gainsharing programs are equally effective in the service sector. Pam Farr, former senior vice president for Marriott Lodging and now president of the Cabot Advisory Group, recently testified before the House Education and the Workforce Committee that Marriott used gainsharing plans for housekeeping and customer service personnel that rewarded employees for the cleanliness of rooms, and customer service evaluations. Cordant Technologies, which makes solid rocket boosters for the space shuttle, rewards its workers for achieving goals involving workplace safety, customer satisfaction, and indirect cost reduction.

Whatever type of gainsharing arrangement an employer may have, there can be no doubt that these programs increase workers' pay, productivity, and contribute to higher customer satisfaction and better workplace relations. Studies have demonstrated that employees who participate in gainsharing arrangements on average receive about 5 to 10 percent more pay from such participation, and many bonus programs allow employees to increase their base pay by as much as 50 percent.

Employees who participate in these programs also report being more satisfied on the job and to have a more positive attitude toward their employer. A 1981 survey by the General Accounting Office found that over 80 percent of firms they interviewed reported improvements in labor-management relations from such programs. Grievances in such companies dropped 50 percent, and absenteeism by 20 percent when gainsharing was offered to workers.